Office of Child Care (OCC) Monitoring Process: Overview for Cycle 2

Lead Agency Administration of CCDF Program

Each State designates a Lead Agency to administer the Child Care and Development Fund (CCDF) program. Under the CCDF regulations, Lead Agencies have considerable flexibility in how to operate the program, including through contracts and agreements with other governmental and non-governmental agencies. Regardless of the State's method of implementation, the Lead Agency retains overall responsibility for the administration of the program. Under the Child Care and Development Block Grant (CCDBG) Act and the CCDF regulations, the federal Office of Child Care (OCC) has responsibility for monitoring the Lead Agency for compliance with the Act, the Final Rule, and the State's approved CCDF Plan. OCC monitoring includes the review of State's policies, rules, etc., as well as the observation of how the CCDF program is implemented on the ground. A State's compliance with the CCDF regulations is determined based on the practices implemented at the time of the onsite visit.

OCC Monitoring Goals

- Ensure compliance with CCDF regulations and approved CCDF Plan

- Identify technical assistance (TA) needs to meet CCDF requirements

- Identify promising practices to inform continuous quality improvement

Guiding Principles for the Monitoring Process

- **Transparent:** Engage States throughout the process and ensure clear communication of expectations

- **Supportive:** Identify TA as part of the monitoring process

- **Efficient:** Make use of existing grantee information and simplify other required pre-visit documentation

Topic Areas Monitored for Compliance

During the second three-year monitoring cycle (Federal Fiscal Years 2022-2024), States will be monitored for compliance within nine topic areas, including two new topic areas and two expanded topic areas. New components are starred in the list below. Within each topic area, there are specific CCDF regulations for which the States will be required to demonstrate compliance. The topic areas are:

- Consumer Education: Dissemination of Information to Parents, Providers, and General Public
  - Monitoring Reports
  - Annual Aggregate Data

- Twelve-Month Eligibility
  - Eligibility Determination and Re-determination
  - Continued Assistance/Job Search
  - Graduated Phase-out
  - Change Reporting*
  - Co-payments During the 12-Month Period*

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- Equal Access
  - Building the Supply of Child Care for Underserved Populations*
  - Sliding Fee Scales*
  - Waiving Co-payments*
  - Payment Policies *
    - Timeliness of Payments;
    - Delinking Provider Payments from a Child's Occasional Absences; and
    - Generally-Accepted Payment Practices

- Health and Safety Requirements for Providers
  - 11 health and safety topics for all CCDF-eligible providers

- Pre-Service/Orientation and Ongoing Training for Providers
  - 11 health and safety topics for all CCDF-eligible providers

- Inspections for Licensed CCDF Providers, which include inspections for compliance with:
  - Health and safety requirements and fire standards;
  - Pre-service/orientation and ongoing training requirements; and
  - Child:staff ratios and group sizes

- Inspections for License-Exempt CCDF Providers, which include inspections for compliance with:
  - Health and safety requirements and fire standards;
  - Pre-service/orientation and ongoing training; and
  - Child:staff ratios and group sizes

- Background Checks
  - Requirements for FBI fingerprint checks*
  - In-State searches of the State criminal repository*
    - State sex offender registry
    - State-based child abuse and neglect registry and database

- Program Integrity and Accountability
  - Written Agreements*
  - Effective Internal Controls – Identification of Risk*
  - Effective Internal Controls – Provider and Staff Training
  - Effective Internal Controls – Evaluation of Activities
  - Identifying Fraud or Other Program Violations
  - Fraud Investigation, Payment Recovery, and Sanctions
  - Documenting and Verifying Child Eligibility

Who Should Be on the State Monitoring Team?

States have flexibility to determine the composition of their team to support the monitoring effort. OCC recommends that State Administrators involve other State-level CCDF leadership in the pre-visit and onsite phases of the monitoring process, including trainings and planning calls with the OCC Monitoring Team. It is worthwhile to bring other partners (contractors, other State agencies, etc.) into the planning process early as well so that everyone is aware of the goals and expectations for the onsite visit.
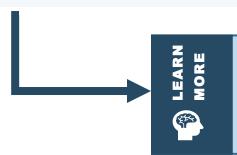
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State Monitoring Team

- State Administrator(s)

- State staff (subsidy, licensing, consumer education, & professional development managers)

- State partners, subrecipients, and others as determined by the State

OCC Monitoring Team

- OCC Federal Staff (Regional and Central Office)

- Monitoring contract staff (WRMA, Inc.)

LEARN MORE

Key resources and trainings providing additional detail about the OCC Monitoring process will be available soon from the OCC webpage, *CCDF Monitoring Cycle 2 Resources for States*.

Three Monitoring Phases

The OCC monitoring process is divided into three phases over several months: pre-visit planning and document review, the three-day onsite visit, and post-visit documentation and compliance determination. Throughout the process, the State and its CCDF team work closely with the OCC Monitoring Team.

1. Pre-Visit	2. Onsite	3. Post-Visit
Planning Activities	In-Person Data Collection	Closeout Activities
• Proposal of Compliance Demonstration Approaches	• State, Local, and Partner Interviews	• Data Collection follow-up, if further clarification is needed
• Planning Calls with OCC Monitoring Team	• Demonstrations of State Systems	• Analysis of Data Collected
• Submission of Desk Review Materials	• Provider and Subsidy Case File Reviews	• Issuance of the Monitoring Report
• Collaborative Site Visit Schedule Development		• Convene Virtual Exit Conference with State

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What Happens During Onsite Data Collection Sessions?

The majority of the onsite visit will be spent in data collection sessions, which provide the OCC Monitoring Team a comprehensive understanding of how the State is implementing the CCDF topics/regulations being monitored. They also validate evidence collected during the pre-visit phase by demonstrating State practices in action on the ground. Onsite data collection sessions will include:

- Staff/partner interviews;
- Demonstrations of program operations, systems, websites, and resources; and
- Guided reviews of family and provider case files.

Data collection sessions may occur at the Lead Agency's office or at partner/local office locations. Sites are selected during the pre-visit phase in consultation with the State based on a variety of criteria (e.g., the State's CCDF organizational structure, geographic and demographic considerations, and the availability of case files, whether paper or electronic). Prior to the visit, the State will know the topics to be discussed and activities to be conducted at each location.

How Should the State and Partners Prepare for Onsite Data Collection Sessions?

- Ensure that State staff and partners are aware of the regulations being monitored within the nine topic areas and have been oriented to the purpose and scope of OCC's monitoring system. Those participating in data collection sessions should know the specific topics and regulations to be covered and the format of the sessions (in-depth, targeted interviews, demonstrations, etc.). This will help ensure all participants are well prepared.

- Ensure that adequate meeting space is available at the site. The OCC Monitoring Team may include 5-7 people who will need space to take notes and review documents. Access to power outlets and Internet is helpful, but not required.

- Prepare system/process demonstrations. These should not be elaborate or lengthy. The OCC Monitoring Team will want to get a basic understanding of the process workflows and system functions. Specific family or provider records may be reviewed, as appropriate. State and local partners should not prepare any presentations or PowerPoints for these or any other data collection sessions.

- Prepare selected family and provider case files for guided reviews. The State will select or request cases that meet specific requirements identified by OCC. Partner staff should be prepared to walk the OCC Monitoring Team through these cases, showing how the CCDF and State regulations and processes were implemented in each case. There is no need for any specific preparation or copying of paper case files. Additional detail for those presenting the family and provider case files is included in the training, *What to Expect: A guide for those sharing the case file reviews during the monitoring visit,* which will be available soon from the OCC webpage, *CCDF Monitoring Cycle 2 Resources for States*. The OCC Monitoring Team will not be collecting or documenting any personally identifiable information (PII).

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